



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

July 27, 2004

### **H.R. 3056**

#### **A bill to clarify the boundaries of the John H. Chafee Coast Barrier Resources System Cedar Keys Unit P25 on Otherwise Protected Area P25P**

*As ordered reported by the House Committee on Resources on July 14, 2004*

CBO estimates that enacting H.R. 3056 would have no significant impact on the federal budget. The bill could affect direct spending, but we expect that net changes would be negligible. H.R. 3056 would not affect revenues. H.R. 3056 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

H.R. 3056 would modify the boundaries of the Cedar Keys Unit (in Florida) of the Coastal Barriers Resource System to exclude three lots on 32 acres of private land that was erroneously included in the unit. This change would enable the owners of those properties to retain federal flood insurance, which they otherwise would lose. Hence, CBO estimates that, relative to current law, H.R. 3056 would increase premium collections into the national flood insurance fund by less than \$100,000 annually. Collections would be partially offset each year by new mandatory spending for underwriting and administrative expenses. The federal government may also incur additional costs for losses associated with any future floods that might affect those properties, but CBO has no basis for predicting such events.

The CBO staff contact for this estimate is Megan Carroll. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.